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Breaking News

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Honda says general aviation needs help

Small aviation businesses hit hard by the security measures put into place since the Sept. 11 terrorist attacks would get federal help under a bill co-authored by U.S. Rep. Mike Honda, D-San Jose.

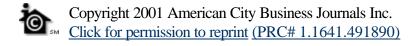
"We must protect the workers and small general aviation businesses that pump gas, fix planes, fly banners, teach pilots how to fly and dust crops, who have been injured as a direct result of the terrorist attacks," Mr. Honda says.

General aviation businesses operate at more the 5,300 public airports. More than 92 percent of the roughly 225,000 civil aircraft registered in the United States are general aviation aircraft. More than 500,000 of the nation's 635,000 pilots fly general aviation aircraft.

As a result of the terrorist attacks, this segment of the aviation industry has been grounded significantly longer and was saddled with greater flight restrictions than the larger air carriers, Mr. Honda says. This has crippled these businesses, many of which do not have access to the guaranteed funding or loans accessible to larger businesses, he says.

Mr. Honda's bill would direct the Small Business Administration to provide grants to companies equal to the losses incurred as a result of Federal Aviation Administration or Department of Transportation orders. In addition, one year no-interest loans could be made by the SBA to qualified companies that have suffered or are likely to suffer as a result of the terrorist acts, and the secretary of treasury would be allowed to extend for up to four months the due date for certain excise taxes paid by qualifying companies.

The total cost of the legislation should be "well under \$500 million," Mr. Honda says.



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